

Webb County, Texas
Statement of Net Assets
Proprietary Funds
September 30, 2003

	<u>Enterprise Fund</u>	<u>Internal Service</u>
	<u>Water Utility</u>	<u>Funds</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,930,486	\$ 4,595,381
Accounts Receivable, net	177,940	-
Deferred charges	147,190	-
Due from other funds	1,856,078	688,657
Other receivables	187	365,806
Inventories	14,830	-
Total current assets	<u>4,126,711</u>	<u>5,649,844</u>
Non-current assets:		
Capital Assets:		
Land and improvements	216,295	-
Infrastructure	1,694,759	-
Utility System	747,627	-
Buildings	496,623	-
Equipment and Furniture	378,885	84,068
Less Accumulated depreciation	<u>(410,496)</u>	<u>(54,241)</u>
Total non-current assets	<u>3,123,693</u>	<u>29,827</u>
Total assets	<u><u>7,250,404</u></u>	<u><u>5,679,671</u></u>

The accompanying notes are an integral part of these financial statements.

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	<u>Enterprise Fund</u>	<u>Internal Service</u>
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LIABILITIES		
Current Liabilities:		
Accounts payable	46,590	445,228
Salaries payable	14,840	6,134
Accrued interest payable	41,602	-
Due to other funds	2,076,976	2,542,483
Other accrued expenses	61,957	36,735
Compensated absences	37,565	22,812
Bonds, notes and loans payable	87,589	-
Total current liabilities	<u>2,367,119</u>	<u>3,053,392</u>
Non-current liabilities:		
Claims and judgments	-	1,202,224
Bonds, notes and loans payable	4,569,700	-
Total non-current liabilities	<u>4,569,700</u>	<u>1,202,224</u>
Total liabilities	<u>6,936,819</u>	<u>4,255,616</u>
NET ASSETS		
Invested in capital assets, net of related debt	362,622	29,827
Unrestricted	(49,038)	1,394,226
Total net assets	<u>\$ 313,584</u>	<u>\$ 1,424,053</u>

The assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the Business Activities of the Statement of Net Assets.

	29,516
Total net assets per Government-Wide financial statements	<u>\$ 343,100</u>

Webb County, Texas
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended September 30, 2003

	<u>Enterprise Fund</u>	<u>Internal Service</u>
	<u>Water Utility</u>	<u>Funds</u>
REVENUES		
Charges for services	\$ 1,089,160	\$ 8,285,393
Miscellaneous	24,458	-
Total operating revenues	<u>1,113,618</u>	<u>8,285,393</u>
OPERATING EXPENSES		
Personal services	514,624	310,885
Contractual services	-	46,077
Utilities	192,146	-
Repairs and maintenance	54,444	-
Other supplies and expenses	157,282	7,020
Insurance claims and expenses	-	6,432,823
Depreciation	80,737	11,970
Total Operating Expenses	<u>999,233</u>	<u>6,808,775</u>
Operating income (loss)	<u>114,385</u>	<u>1,476,618</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest and investment revenue	24,994	44,700
Interest expense	(256,766)	-
Total non-operating revenue (expenses)	<u>(231,772)</u>	<u>44,700</u>
Income (loss) before contributions and transfers	(117,387)	1,521,318
Transfers in	149,332	-
Transfers out	(116,470)	(650,000)
Change in net assets	(84,525)	871,318
Total net assets - beginning, restated	398,109	552,735
Total net assets - ending	<u>\$ 313,584</u>	<u>\$ 1,424,053</u>

Change in net assets, per above

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with Business Activities.

Change in Business-Type Activities in Net Assets per Government-Wide Financial Statements

29,516
<u>\$ 343,100</u>

The accompanying notes are an integral part of these financial statements.

Webb County, Texas
Statement of Cash Flows
Proprietary Funds
For Year Ended September 30, 2003

	Business Type Activities Enterprise Fund Water Utility	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 1,086,958	\$ 8,200,546
Premiums from participants		(306,024)
Payments to employees	(491,072)	
Payments to vendors, suppliers, and insurance administrators	(434,189)	(5,616,790)
Internal Transactions	(1,507,817)	
Net cash provided by operating activities	<u>(1,346,120)</u>	<u>2,277,732</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES		
Operating Transfer In	149,332	
Operating Transfer Out	(116,470)	(649,999)
Net cash provided by non capital financing activities	<u>32,862</u>	<u>(649,999)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Infrastructure	(124,175)	
Land and Land Improvements	(14,697)	
Buildings	(223,715)	
Construction in Progress	193,457	
Short Term Notes Payable	12,000	
Short Term Bonds Payable	11,921	
Interest Paid on Debt	(256,766)	
Long Term Notes Payable	(12,000)	
Long Term Bonds Payable	(75,589)	
Net cash provided by capital financing activities	<u>(489,564)</u>	<u></u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment earnings	24,994	44,700
Net cash provided by investing activities	<u>24,994</u>	<u>44,700</u>
 Net Increase/(Decrease) in Cash and Cash Equivalents	 <u>(1,777,828)</u>	 <u>1,672,433</u>
Cash and pooled investments, beginning of year	3,708,314	2,922,949
Cash and pooled investments, end of year	\$ <u><u>1,930,486</u></u>	\$ <u><u>4,595,382</u></u>
Reconciliation of operating income to net cash provided (used) by operations:		
Operating income	\$ 126,201	\$ 1,476,618
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	72,105	11,970
Amortization	8,632	
(Increase) Decrease in Due from Other Funds	(1,507,817)	(157,134)
(Increase) Decrease in Accounts Receivable	(27,212)	(344,116)
(Increase) Decrease in Other Receivable	551	
(Increase) Decrease in Inventories	639	
(Increase) Decrease in Prepaids & Other Assets	675	
Increase (Decrease) in Bank Overdraft		(14,824)
Increase (Decrease) in Accounts Payable	(17,214)	(190,608)
Increase (Decrease) in Other Payables	(13,848)	
Increase (Decrease) in Accrued Liabilities	4,149	64
Increase (Decrease) in Accrued Interest Payable	(569)	
Increase (Decrease) in Due to Other Funds		1,704,389
Increase (Decrease) in Funds Held In Trust		(55,066)
Increase (Decrease) in Long Term Risk Liability		(158,358)
Increase (Decrease) in Accrued Compensated Absences	7,588	4,797
Total adjustments	<u>(1,472,321)</u>	<u>801,114</u>
Net cash provided by operating activities	\$ <u><u>(1,346,120)</u></u>	\$ <u><u>2,277,732</u></u>
Noncash investing, capital, and financing activities:		
Increase (Decrease) in Contributed Capital	6,823	

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